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LISTING STATEMENT NO. 2350.

LISTED MARCH 24, 1969.
1,039,718 Common Shares without nominal or par value, of which 100,218 Shares are subject to issuance.
Stock Symbol "ICL".
Post Section 3.5.
Dial Quotation No. 2249.

THE TORONTO STOCK EXCHANGE

LISTING STATEMENT

INDAL CANADA LIMITED

Incorporated under the Laws of Canada by
Letters Patent dated October 9, 1964

CAPITALIZATION AS AT MARCH 1, 1969

Share Capital	AUTHORIZED	ISSUED AND OUTSTANDING	TO BE LISTED
Cumulative Redeemable Preferred Shares of the par value of \$10 each, issuable in series	233,334	183,334	Nil
Common Shares without nominal or par value, of which 100,218 are subject to issuance	1,500,000	939,500	1,039,718
Long Term Debt			
7¾ % First Mortgage (payable monthly to May 1, 1981)	\$ 405,580	\$ 399,500	Nil
Term Loan due November 13, 1970	\$1,875,000 (U.S.)	\$1,875,000 (U.S.)	Nil

NOTE: Particulars of the Share Capital and Long-Term Debt of the Company are shown in detail under the heading Capitalization, including notes appended thereto, on page 4 of the prospectus referred to in paragraph 2 hereof. Employees' Stock Options covering 3,500 common shares and share purchase warrants covering 3,000 common shares have been exercised since the date of the said prospectus.

1. APPLICATION

INDAL CANADA LIMITED (hereinafter called the "Company") hereby makes application for the listing on The Toronto Stock Exchange of 1,039,718 Common Shares without nominal or par value in the capital of the Company of which 939,500 have been issued and are outstanding as fully paid and non-assessable. The remaining 100,218 Common Shares included in this application have been reserved as follows:

For issue pursuant to agreement referred to under Item 3 below	8,718
Employees' stock options (options on 7,000 granted expiring January 11, 1972 at \$4.00 per share)	14,500
For issue upon exercise of outstanding share purchase warrants	77,000
	<u>100,218</u>

2. REFERENCE TO PROSPECTUS

Reference is hereby made to the prospectus issued by the Company under date of January 21, 1969 with respect to the offering of 150,000 Common Shares of the Company (hereinafter called the "Prospectus"). A copy of the Prospectus is attached hereto and is hereby incorporated into and made a part of this application.

3. HISTORY, NATURE OF BUSINESS AND INCORPORATION OF THE COMPANY

A history of the Company, nature of its business and particulars of its incorporation are outlined on Page 3 of the Prospectus and on Pages 5-9 thereof.

Since the date of the Prospectus, the Company has entered into an agreement dated March 5, 1969 providing for the acquisition by the Company from Clifford Wight and Thomas L. Ross of an 85% interest in Hialco Manufacturing Limited and of 100% of the shares of Hialco Sales Limited and T-C Holdings Limited. The agreement provides for the issue of 8,718 common shares of the Company to the vendors. The Company has agreed to acquire the remaining 15% of the shares of Hialco Manufacturing Limited at any time from November 1, 1970 to October 31, 1975 at a price based upon the earnings of Hialco Manufacturing Limited.

Since the date of the Prospectus, the Company has also entered into an agreement dated March 7, 1969 providing for the acquisition by the Company from Western Glass and Windows Limited of all the shares of Reliance Windows Limited for a purchase price payable in cash.

4. SHARE ISSUES SINCE INCORPORATION

(a) Common Shares Without Nominal or Par value

<u>Date of Issue</u>	<u>No. of Shares Issued</u>	<u>Amount Realized Per Share</u>	<u>Amount Total Realized</u>	<u>Purpose of Issue</u>
October 16, 1964	10	\$ 1.00	\$ 10	Incorporators Shares
June 8, 1965	439,000	\$ 2.50	\$1,099,990	Repayment of bank borrowing incurred in connection with acquisition
	110,000	\$ 4.60	506,000	See preferred shares below
April 8, 1966	40,000	\$ 5.50	\$ 220,000	Rights Issue — Partial repayment of term loan
September 7, 1967	236,000	\$ 4.00	\$ 944,000	Exercise of employee stock options —working capital
October 2, 1968	7,000	\$ 4.00	\$ 28,000	Exercise of employee stock options —working capital
January 21, 1969	3,500	\$ 4.00	\$ 14,000	Exercise of employee stock options —working capital
February 6, 1969	100,000	\$14.10	\$1,410,000	Retirement of debt \$808,484. Balance in improvement of working capital
February 27, 1969	3,000	\$ 5.00	\$ 15,000	Share purchase warrants—working capital

(b) 6% Cumulative Redeemable Preferred Shares Series A and Series B

June 8, 1965	120,000	\$10.00	\$1,200,000	Working capital and funds for future acquisitions
April 8, 1966	80,000	\$10.00	\$ 800,000	Repayment of Bank loan Purchase 48% of Indalprime Limited, Purchase 2% Eastland Metals Limited, Partial payment new plant

NOTE: 10,000 of the Series A and 6,666 of the Series B Preferred Shares have been purchased for cancellation by the Company.

5. DIVIDEND RECORD

The Company has paid the following dividends since its incorporation:

<u>Fiscal Year</u>	<u>Per Series A and Series B Preferred Share</u>	<u>Per Common Share</u>
1968	\$0.60	\$0.20
1967 (15 months)	0.75	—
1966	0.60	—

6. PROPERTIES AND PLANT OF COMPANY AND SUBSIDIARIES

Particulars of the property and plant of the Company and its subsidiaries are outlined on Page 7 of the Prospectus.

7. SUBSIDIARY COMPANIES

See List of Subsidiary or Controlled Companies on Pages 5 and 6 hereof.

8. OPTIONS

As described on Page 13 of the Prospectus under the heading "Options To Purchase Shares", the Company has reserved 25,000 Common Shares for issue upon the exercise of stock options to employees. Options covering 17,500 have been granted exercisable prior to January 11, 1972 at the price of \$4 per share of which options have been exercised on 10,500 Common Shares. As described on Page 13 of the Prospectus the Company has reserved 80,000 Common Shares for issue upon the exercise of share purchase warrants exercisable up to December 31, 1975. As noted above share purchase warrants covering 3,000 Common Shares have been exercised since the date of the Prospectus.

9. LISTING ON OTHER STOCK EXCHANGES

There are no securities of the Company listed on any other stock exchange.

10. STATUS UNDER SECURITIES ACTS

The offer of 150,000 Common Shares without nominal or par value in the capital of the Company referred to in paragraph 2 hereof and in the Prospectus was qualified for sale to the public by January 27, 1969 in all Provinces of Canada.

11. FISCAL YEAR

The fiscal year of the Company ends on October 31st in each year.

12. ANNUAL MEETING

The By-laws of the Company provide that the annual meeting of the Company shall be held at such place in Canada on such date in each year as the Board of Directors may determine from time to time. The last annual meeting was held on March 14, 1969.

13. HEAD OFFICE

The head and principal office is located at 1415 Lawrence Avenue West, Toronto, Ontario, Canada.

14. TRANSFER AGENT AND REGISTRAR

The Royal Trust Company at its principal office in Toronto is the Transfer Agent and Registrar and at its principal offices at Montreal, Winnipeg and Vancouver is a Branch Transfer Agent and Registrar for the Common Shares of the Company. Canada Permanent Trust Company at its principal office at Toronto is the Transfer Agent and Registrar of the Preferred Shares of the Company.

15. TRANSFER FEE

No fee is charged on the transfer of Common Shares of the Company, other than customary governmental stock transfer tax.

16. AUDITORS

The auditors of the Company are: Coopers & Lybrand, 120 Adelaide Street West, Toronto 1, Ontario.

17. OFFICERS AND DIRECTORS

The names, home addresses, positions held with the Company and principal occupations of the directors and officers of the Company and any changes in those occupations within the last five years are set forth on Page 10 of the Prospectus.

18. CERTIFICATE

Pursuant to a resolution duly passed by the Board of Directors, the applicant Company hereby applies for listing of the above mentioned securities on The Toronto Stock Exchange and the undersigned officers hereby certify that the statements and representations made in this application and in the documents submitted in support thereof are true and correct.



INDAL CANADA LIMITED

By "W. E. TRACEY",
President

By "T. I. RONALD",
Secretary-Treasurer

19. CERTIFICATE OF UNDERWRITERS

To the best of our knowledge, information and belief, all of the statements and representations made in this application and in the documents submitted in support thereof are true and correct.

WOOD GUNDY SECURITIES LIMITED

By "J. R. LeMESURIER",

DISTRIBUTION OF COMMON STOCK AS OF FEBRUARY 21, 1969

Number		Shares
22	Holders of 1 — 24 share lots	195
195	" " 25 — 99 " "	9,065
149	" " 100 — 199 " "	15,470
48	" " 200 — 299 " "	10,075
21	" " 300 — 399 " "	6,500
9	" " 400 — 499 " "	3,600
27	" " 500 — 999 " "	13,850
31	" " 1000 — up " "	877,745
<hr/>		<hr/>
502	Shareholders	Total shares 936,500

The Underwriter has advised that the 27,320 shares registered in the name of the Underwriter are owned by 162 different beneficial owners of which 89 own 100 or more shares.

This prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale.

NO SECURITIES COMMISSION OR SIMILAR AUTHORITY IN CANADA HAS IN ANY WAY PASSED UPON THE MERITS OF THE SECURITIES OFFERED HEREUNDER AND ANY REPRESENTATION TO THE CONTRARY IS AN OFFENCE.

New and Outstanding Issue



Indal Canada Limited

(Incorporated under the laws of Canada)

150,000 Common Shares

(without nominal or par value)

Of the 150,000 common shares offered by this prospectus, 100,000 shares are being sold by the Company and 50,000 shares are being sold by the Selling Shareholders whose names and holdings are shown under "Principal and Selling Shareholders" on page 12. The Company will receive no part of the proceeds from the sale of such shares by the Selling Shareholders.

There is at present no market for the shares of the Company, and the price for this offering was determined by negotiation between the Company, the Selling Shareholders and the Underwriter named herein.

Application has been made to list the common shares on The Toronto Stock Exchange. Acceptance of the listing will be subject to the filing of required documents and evidence of satisfactory distribution, both within 90 days.

Price: \$15 per share

We, as principals, offer these common shares subject to prior sale, if, as and when accepted by us and subject to the approval of all legal matters on behalf of the Company and the Selling Shareholders by Messrs. Borden, Elliot, Kelley & Palmer, Toronto and on our behalf by Messrs. Edison, Aird & Berlis, Toronto.

	Price to public	Underwriting discount	Proceeds to Company*	Proceeds to Selling Shareholders
Per share.....	\$15.00	\$.90	\$14.10	\$14.10
Total.....	\$2,250,000	\$135,000	\$1,410,000	\$705,000

*Before deduction of expenses of issue estimated at \$35,000.

Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. It is expected that share certificates in definitive form will be available for delivery on or about February 6, 1969.

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The Company

Indal Canada Limited (the "Company") was incorporated under the laws of Canada by letters patent dated October 9, 1964 to acquire interests in Canadian companies principally engaged in the secondary manufacture of aluminum and to a lesser extent of steel. The Company currently has interests in 11 operating companies producing a wide variety of manufactured aluminum products and components together with a variety of steel products.

Supplementary letters patent were issued to the Company on May 20, 1965, March 14, 1966, May 31, 1968 and on December 5, 1968. By the last mentioned, the authorized common share capital of the Company was increased to 1,500,000 shares.

The address of the Company's head and principal office is 1415 Lawrence Avenue West, Toronto, Ontario.

Pillar Holdings Limited

Pillar Holdings Limited ("Pillar"), a public company incorporated under the laws of England and listed on The Stock Exchange, London, owns 616,000 or 73.95% of the outstanding common shares of the Company through its wholly-owned subsidiary Pillar Aluminium Limited.

Pillar took its present corporate form in the United Kingdom in 1956 as a holding company with interests in six relatively small industrial companies.

In 1961 Pillar's activities were extended to certain fields of aluminum fabrication and distribution. Substantial growth and profitability have been achieved from this area of Pillar's operations and, at present, approximately 68% of its pre-tax profits are attributable to its aluminum activities. Much of the experience of the senior management of Pillar had been acquired in Canada and Pillar's success in these fields is largely due to the application of Canadian techniques in its activities in the United Kingdom.

The aluminum activities of Pillar include the manufacture of extrusions, the polishing, anodizing and colour surface treatment of aluminum extrusions and sheet products, the redrawing of aluminum tubing, the stocking and wholesale distribution of aluminum semi-fabricated products, and extensive fabrication of aluminum for the architectural, building and automotive industries.

In 1964 the activities of Pillar were directed to Canada with a view to repeating the success achieved in the United Kingdom in the secondary manufacture of aluminum, and the Company was incorporated to own investments made in that field.

In association with others Pillar has also developed aluminum operations in Germany and in France.

The following table illustrates the growth of Pillar, including the results of Canadian operations, and its profits for the fiscal years 1962 through 1967 inclusive:

<u>Fiscal year</u>	<u>Consolidated pre-tax profits*</u> (after all other expenses)	<u>Consolidated profits after tax and minority interests*</u>
1967 (15 months)	\$7,128,000	\$3,354,000
1966	4,935,000	2,277,000
1965	3,486,000	1,707,000
1964	2,580,000	1,221,000
1963	780,000	456,000
1962	270,000	165,000

*Converted to Canadian dollars at £1—\$3.00.

Pillar's consolidated pre-tax profits for the six months ended April 30, 1968 amounted to \$3,142,000 (converted at £1 — \$2.60) compared to \$2,169,000 for the six months ended January 31, 1967. Pillar's management expects that earnings for the year as a whole will continue this improved trend.

Pillar has approximately 27.3 million ordinary shares outstanding having an aggregate market value as of January 20, 1969 of approximately \$64,000,000 (converted at £1—\$2.60). These are held by some 12,300 shareholders. Charter Consolidated Limited, of London, England is the largest shareholder of Pillar owning approximately 13.54% of the outstanding ordinary shares.

Capitalization

	Authorized	Outstanding October 31, 1968	Outstanding November 30, 1968	To be outstanding upon completion of this financing
CURRENT BANK ADVANCES—				
secured.....		\$1,112,372	\$1,090,800	\$ 545,856
LONG-TERM DEBT:				
Indal Canada Limited:				
7 $\frac{3}{8}$ % First mortgage (payable monthly to May 1, 1981) (1).....		\$ 404,580	\$ 402,900	\$ 399,500
Term loan (2).....		\$ 450,000 (U.S.)	\$ 450,000 (U.S.)	—
Term loan (3).....		\$1,875,000 (U.S.)	\$1,875,000 (U.S.)	\$1,875,000 (U.S.)
7% Unsecured notes.....		\$ 326,000	\$ 326,000	—
Indalex Limited:				
Term loan (4).....		\$ 500,000 (U.S.)	\$ 450,000 (U.S.)	\$ 450,000 (U.S.)
Dominion Aluminum Fabricating Limited:				
7 $\frac{1}{2}$ % First mortgage (payable monthly to August 1, 1986) (5).....		\$ 170,735	\$ 170,342	\$ 169,568
7 $\frac{1}{2}$ % Second mortgage (payable monthly to September 23, 1971) (6).		\$ 73,500	\$ 71,850	\$ 68,550
Sundry indebtedness.....		\$ 35,283	\$ 33,992	\$ 31,410
MINORITY INTEREST IN SUBSIDIARY COMPANIES:				
Preferred shares(7).....		\$ 6,672	\$ 6,672	—
Common shares and surplus.		\$ 238,717	\$ 238,717	\$ 238,717
CAPITAL STOCK:				
Cumulative redeemable preferred shares of the par value of \$10 each	233,334 shs. (\$2,333,340)			
6% Series A.....		110,000 shs. (\$1,100,000)	110,000 shs. (\$1,100,000)	110,000 shs. (\$1,100,000)
6% Series B.....		73,334 shs. (\$ 733,340)	73,334 shs. (\$ 733,340)	73,334 shs. (\$ 733,340)
Common shares without nominal or par value (8)...	1,500,000 shs.	833,000 shs. (\$2,798,000)	833,000 shs. (\$2,798,000)	933,000 shs. (\$4,208,000)

NOTES: (1) Secured by a first fixed charge on certain land and buildings a part of which are in the course of construction. Arrangements have been made to increase the principal amount of this mortgage to \$550,000, to increase the interest rate to 8 $\frac{1}{4}$ % and to extend the maturity date to January 1994.

(2) Payable in five equal annual instalments with monthly interest instalments on the principal amount outstanding. The interest rate is reviewed semi-annually and may be subject to adjustment. The current rate is 9%.

(3) Payable not later than November 13, 1970 with semi-annual interest payments. The interest rate is reviewed semi-annually and may be subject to adjustment. The current rate is 7 $\frac{3}{8}$ %. This loan was made by a wholly-owned United Kingdom subsidiary of Pillar Holdings Limited.

(4) Payable in ten equal semi-annual instalments with monthly interest instalments on the principal amount outstanding. The interest rate is reviewed semi-annually and may be subject to adjustment. The current rate is 7 $\frac{3}{4}$ %. This loan is secured by a first floating charge debenture on all assets owned by Indalex Limited.

(5) Secured by a first fixed charge on certain lands and buildings.

(6) Secured by a second fixed charge on certain lands and buildings and by a chattel mortgage on all equipment owned by Dominion Aluminum Fabricating Limited.

(7) The Company was committed to cause Dominion Aluminum Fabricating Limited to redeem its preferred shares for the amount paid up thereon on December 31, 1968.

(8) Gives effect to the issue of supplementary letters patent to the Company dated December 5, 1968 increasing the authorized common share capital of the Company to 1,500,000 shares. Before giving effect to the issue of such supplementary letters patent the authorized common share capital of the Company consisted of 1,000,000 shares. In addition to paid up capital shown in this table, the Company had consolidated retained earnings of \$1,546,428 at October 31, 1968. Reference is made to "Options to Purchase Shares" on page 13.

(9) Reference is made to Note 15 to Financial Statements for details of long-term lease commitments.

Use of Proceeds

The net proceeds from the sale of the 100,000 common shares being issued by the Company, amounting to \$1,410,000 before deducting expenses of the issue estimated at \$35,000, will be applied as to approximately \$810,000 in the repayment of \$450,000 (U.S.) principal amount of term loan from a Canadian chartered bank to the Company and \$326,000 principal amount of 7% unsecured notes. The proceeds of the aforesaid loan and notes were used to acquire shares of subsidiaries. The balance of the proceeds consisting of \$565,000 will be used to reduce current bank advances. The proceeds of these bank advances were used for current operating requirements.

No part of the proceeds from the sale of the 50,000 common shares purchased from the Selling Shareholders will be received by the Company.

Business of the Company

The operating companies in which the Company has equity interests (hereinafter together with the Company collectively referred to as the "Indal Group") are as follows:

<u>Company</u>	<u>Activity</u>	<u>Percentage of equity attributable to the Company</u>	<u>Plant locations</u>
Indalex Limited ("Indalex")	Aluminum extruding and surface finishing	100.00%	Toronto, Montreal, Calgary, Port Coquitlam, B.C.
Westland Metals Limited ("Westland Metals")	Rollforming aluminum and steel	100.00%	Vancouver, Calgary
Indal Products Limited ("Indal Products")	Aluminum doors and windows, trailer windows and accessories, vinyl extrusions	100.00%	Toronto
Fashion Grilles Limited ("Fashion Grilles")	Architectural components	100.00%	Toronto
Custom Rollforming Company Limited ("Custom Rollforming")	Rollformed aluminum and steel sections	50.01%	Toronto
Eastland Metals Limited ("Eastland Metals")	Rollforming aluminum and steel	78.00%	Toronto
Commercial Aluminum Products Limited ("Commercial Aluminum")	Aluminum commercial entrances and store front systems	55.00%	Toronto
Lite Metal (Products) Limited ("Lite Metal")	Aluminum ladders	100.00%	Mississauga, Ontario
Indalprime Limited ("Indalprime")	Prime windows	100.00%	Toronto
Dominion Aluminum Fabricating Limited ("Dominion Aluminum")	Aluminum railings, flagpoles, light standards, highway trusses and helicopter hangars	80.00%	Toronto
Mississauga Aluminum Industries Limited ("Mississauga")	Aluminum extruding	50.00%	Mississauga, Ontario

Minority Interests

The Company has agreed to acquire on request from the minority shareholders of Eastland Metals, Commercial Aluminum and Dominion Aluminum their shareholdings at formula prices based on the profits earned by such companies. Details of the relevant agreements are as follows:

1. Agreements dated May 26, 1965 between the Company and Messrs. C. H. Wilson and D. Bethune pursuant to which the Company undertook after July 31, 1967 and on or before August 1, 1973 to purchase from these shareholders all or any part of the remaining common shares of Eastland Metals held by them at prices based on the earnings of the two fiscal years prior to that in which such rights are exercised.
2. An agreement dated June 17, 1965 between the Company and Mr. and Mrs. G. B. Reading as amended by an agreement dated January 20, 1969 pursuant to which the Company undertook, after August 1, 1967 and on or before July 31, 1975 to purchase from Mr. Reading all or any part of the 45% of the common shares of Commercial Aluminum held by him at a price based on the earnings

of the two fiscal years prior to that in which the right is exercised with a minimum aggregate price of \$177,714. The Company is now obligated to purchase a further 25% of the common shares of Commercial Aluminum as described under "Corporate History of Subsidiaries" on page 14.

3. An agreement dated August 9, 1968 between the Company and M. R. Maynard pursuant to which the Company undertook, after November 1, 1971 and on or before December 31, 1976 to purchase from Mr. Maynard all or any part of the 30,000 common shares (20%) of Dominion Aluminum held by him at a price based on the earnings of the two fiscal years prior to that in which the right is exercised.

The Company has not entered into any agreement for the purchase of the minority interest in Custom Rollforming or of the interest of its partners in Mississauga and does not anticipate entering into such an agreement. The operations of these companies are of modest proportion in relation to those of the Indal Group.

Operations

The Indal Group operates as a partially integrated manufacturer of aluminum products, and to a lesser extent, of steel products, mainly for the home improvement and construction industries. A substantial volume of aluminum extrusions is also produced for end-use in custom engineered products and in the electrical, automotive and other industries.

Aluminum Extrusion and Surface Finishing

Four extrusion plants are operated in Montreal, Toronto, Calgary and in Port Coquitlam, British Columbia. Finishing facilities include modern paint lines at Montreal, Toronto and Calgary and an anodizing plant in Calgary. A second anodizing plant is under construction in Toronto. A 50% interest was recently acquired in a small extrusion company whose principal market is the trim industry.

Rollformed Sheet and Sections and Rainwater Goods

Plants in Toronto, Calgary and Vancouver produce rollformed roofing and siding, in aluminum and steel, for agricultural and industrial buildings. The Calgary and Vancouver plants also manufacture rainwater goods and residential sections.

A plant in Toronto produces rollformed steel and aluminum sections for a wide variety of industrial uses.

Storm Doors, Windows and Patio Doors

These products are manufactured in two plants in Toronto and marketed throughout Canada. Extrusions, in mill finish and painted form, are used in large quantity in these products as are components and hardware manufactured within the Indal Group.

Trailer Windows and Accessories

The Indal Group recently entered into the production of trailer windows and accessories in Toronto. Prior to that time Canadian trailer manufacturers had purchased most of their requirements from United States suppliers. In the two years since commencement of production of trailer windows and accessories the Indal Group has become the principal supplier to all major trailer manufacturers located in Ontario, Quebec and the Maritime Provinces.

Components and Hardware

Components and hardware are manufactured or bought in bulk from outside manufacturers by a subsidiary which is one of the largest Canadian suppliers of hardware components for the home improvement industry. Components incorporated in products of the Indal Group account for some 30% of sales of this subsidiary.

Ladders

Step and extension ladders for home and industrial use are manufactured at a plant in Mississauga, Ontario. Indal Group ladder production accounts for a significant proportion of total sales of aluminum ladders in Canada. Aluminum extrusions account for a high proportion of raw material content.

Commercial Entrances and Store Front Systems

Aluminum store fronts, commercial doors, guard rails and other architect-specified products are manufactured in Toronto. As well as utilizing a large and expanding quantity of extrusions this group of products is almost invariably supplied in anodized or painted finishes thus providing an important market for the Toronto extrusion plant's paint line and soon-to-be completed anodizing facility.

Prime Windows

Another field which the Indal Group has recently and successfully entered is the fabrication and installation of prime windows, mainly for high-rise apartment buildings. The prime window plant, located in Toronto, is ideally situated to service the large and growing demand for housing in southern Ontario.

Custom Engineered Products

With the acquisition of control of Dominion Aluminum, Indal Group activities acquired a further dimension—the design and fabrication of engineered products in which extruded aluminum is the principal raw material. This company is engaged in the manufacture of light standards, highway trusses, aluminum railings, flag poles and a patented telescopic hangar for helicopters.

Sales and Marketing

The Indal Group's approach to marketing has produced significant increases in sales in each of the four years since the Company's incorporation. The principal market outlets for storm doors and windows, screen doors and ladders are retail chains. Indal Group companies are able to compete effectively by virtue of their ability to present a wide range of products. They also have a distinct advantage through the vertically integrated structure of the Indal Group and the ability to use production line techniques not open to fragmented competition. The construction industry provides the principal market for roofing, siding, rainwater goods, prime windows, patio doors and store front systems.

The success of this approach is outlined in the following table which shows sales (including sales to other Indal Group companies and sales of all companies consolidated at October 31, 1968) by product group for the four fiscal years ended October 31, 1968.

	Year ended October 31, 1968	Fifteen months ended October 31, 1967	Year ended July 31, 1966	Year ended July 31, 1965
Extrusion and surface finishing.....	\$ 8,952,532	\$9,152,495	\$5,346,376	\$4,030,243
Rollformed sheet and sections and rain- water goods.....	4,724,477	5,120,033	3,686,979	1,842,559
Storm doors, windows and patio doors..	4,788,102	5,248,669	2,990,283	1,632,492
Trailer windows and accessories.....	659,966	501,580	136,368	
Architectural components and hardware.	1,877,122	1,906,343	1,503,507	1,075,329
Ladders.....	1,269,196	1,016,986	798,875	325,671
Commercial entrances and store front systems.....	495,857	461,025	248,204	62,374
Prime windows.....	1,522,285	1,034,001	194,327	
Custom engineered products*.....	1,473,840	1,779,627	2,212,174	1,431,204
Inter-company sales.....	(4,082,524)	(2,962,867)	(1,698,745)	(466,622)
Sales of unconsolidated companies inclu- ded above.....	(920,512)	(3,446,217)	(3,984,726)	(2,618,306)
	<u>\$20,760,341</u>	<u>\$19,811,675</u>	<u>\$11,433,622</u>	<u>\$7,314,944</u>

*Sales are for the 12 months ended January 31, 1966, 1967 and 1968 and for the nine months ended October 31, 1968.

Property, Plant and Equipment

The Company owns a six-acre site in the Weston area of Metropolitan Toronto and leases plant space of approximately 134,000 square feet at that location to two subsidiaries. Dominion Aluminum owns a three-acre site in the Etobicoke area of Metropolitan Toronto and occupies a building of 46,000 square feet

at that location. The mortgage loan of the Company shown on page 4 under "Capitalization" is secured by the Weston land and buildings of the Company. The mortgage loans of Dominion Aluminum shown on page 4 under the same heading are secured by the Etobicoke land and buildings of that company and the second of such mortgage loans is collaterally secured by a charge on all of the equipment owned by Dominion Aluminum.

Indal Group companies also occupy 281,300 square feet of leased premises as follows:

<u>Company</u>	<u>Location</u>	<u>Area (square feet)</u>
Indalex	Pointe-Claire, Quebec	34,000
	Toronto, Ontario	6,000
	Calgary, Alberta	19,200
	Port Coquitlam, B.C.	16,800
Westland Metals	Vancouver, B.C.	22,500
	Calgary, Alberta	21,400
Fashion Grilles	Toronto, Ontario	29,000
Custom Rollforming	Toronto, Ontario	9,000
Indal Products	Toronto, Ontario	40,100
Eastland Metals	Toronto, Ontario	22,300
Commercial Aluminum	Toronto, Ontario	10,800
Lite Metal	Mississauga, Ontario	26,700
Indalprime	Toronto, Ontario	13,300
Mississauga Aluminum	Mississauga, Ontario	10,200

The Indal Group also owns six extrusion presses and ancillary equipment, 11 rollforming mills, three power brake presses, three automatic paint lines, one anodizing plant, two vinyl extrusion presses and various other pieces of manufacturing, assembly and transportation equipment. The Indalex term loan shown on page 4 under "Capitalization" is secured by a first floating charge on all assets owned by that company.

Capital Expenditures

The growth achieved by the Indal Group since its formation resulting from the demand for its products together with new facilities and the establishment of up-to-date techniques has necessitated an extensive capital expenditure programme as set forth below.

Year ended October 31, 1968.....	\$ 906,000
Fifteen months ended October 31, 1967....	1,191,000
Year ended July 31, 1966.....	1,807,000
Year ended July 31, 1965.....	231,000

These figures do not include acquisition costs of subsidiaries or capital expenditures of subsidiaries before acquisition.

Expansion Programme

Since its incorporation the Company has pursued a policy of expansion both by internal growth and by the formation and acquisition of companies and has achieved, by virtue of this policy, a substantial and valuable degree of vertical integration. In parallel with this expansion the Company has, where possible, rationalized product lines to avoid duplication of production facilities and also has introduced a number of additional product lines. All Indal Group companies are in modern plants built, in most cases, to meet each company's special requirements and have, with two exceptions, adequate capacity to meet foreseeable requirements. Fashion Grilles and Indalprime will move to new and larger premises early in 1969.

Significant advantages and efficiencies have also been achieved through a degree of centralization. All financial planning and banking arrangements for subsidiaries are administered by the Company. The Company also provides accounting supervision and assistance and systems and data processing services to subsidiaries. New projects originating either in the form of requests for authorization from subsidiaries or proposals from the Company management are reviewed by the Company's management and board of directors.

As part of the expansion programme the Company has recently installed automatic paint lines at the Montreal, Toronto and Calgary plants of Indalex and anodizing facilities at the last named plant. Con-

struction of a plant of an area of 18,700 square feet has just been completed at Indalex's Toronto location to house anodizing facilities to complement the existing paint line, thus providing a complete range of services to customers. It is estimated that the anodizing plant will be in operation in April 1969. Total capital cost of the project including the building and plant offices is budgeted at \$475,000.

In June 1968, Indalex opened a new extrusion plant in Port Coquitlam, British Columbia to service the growing demand for extrusions in that Province.

The Company is also engaged in the expansion of the commercial door and store front operations carried on by Commercial Aluminum. As part of this expansion the Company has entered into an agreement to purchase a warehouse of an area of 12,000 square feet adjacent to the Commercial Aluminum plant in Downsview. In addition, certain new equipment will be required to meet anticipated increases in volume. Total capital cost of this project is budgeted at \$250,000.

Financing of the two projects outlined above will be largely through the increase of the existing mortgages shown under "Capitalization" on page 4.

Outlook

Although the largest market of the Indal Group is related to construction and home improvements, the use of aluminum in other important applications such as in custom engineered products, and in the electrical, automotive and transportation industries also continues to grow. This growth is being stimulated and the uses of aluminum in extruded and rolled form increased by the variety of surface finishes now being employed. The demand for anodized and painted finishes on extrusions is growing rapidly. The Indal Group, with its modern finishing facilities, is ideally equipped to take advantage of these trends.

Increases in copper prices in recent years have caused a significant switch from that metal to aluminum by the electrical industry. Much of the metal used for electrical applications is in extruded form.

The demand for new housing, particularly in southern Ontario, is already high and this demand is expected to continue with the growth in new family formation. Estimates by Central Mortgage and Housing Corporation indicate that the total potential housing demand, including replacements and dwellings for single and retired people, will average about 180,000 units annually through 1970, some 50% higher than the average rate of completions achieved during 1964-1966. The following table indicates the growth in residential and non-residential building construction in Canada in the five years ended December 31, 1968:

1968 (estimated)	\$7,365,000,000
1967 (preliminary)	6,859,000,000
1966	6,661,000,000
1965	5,906,000,000
1964	5,179,000,000

Source—Dominion Bureau of Statistics Publications
64-201 entitled "Construction in Canada"

With the new housing and home improvements markets accounting, directly or indirectly, for some 50% of sales, the outlook for the Indal Group is promising. Aluminum has gained wide acceptance in doors, windows, curtain walling and other uses in residential, commercial and industrial construction. Its relative price stability and the variety of surface finishes now being introduced indicate that it will increase its use in this expanding market.

The availability of pre-painted steel and aluminum sheet has greatly increased the use of steel and aluminum roofing and siding in industrial and agricultural buildings. The continued upward trend in wage levels and the low cost of erection of metal walls compared to block and concrete appear certain to ensure a significant position for metal siding and roofing in this market. The Indal Group is well equipped to supply this market.

List prices of aluminum ingot and extrusions were increased in Canada by 1.2¢ per pound early in 1968. Although there has been some price competition in semi-fabricated products prices have generally held firm. Following the very strong world-wide demand for aluminum which progressively developed during 1968 (an increase of some 10% over 1967) list prices of aluminum ingot and extrusions have just been increased in Canada by approximately 1¢ per pound and 1.5¢ to 2¢ per pound respectively, which should result in some improvement in the profit margins on extrusions.

Management

The average age of the senior management of the Company is 42 years. The Indal Group management consists of entrepreneurs responsible for the establishment of some of the enterprises acquired by the Company and professional managers, being those who have been engaged by the Company since its formation or who have been transferred from Pillar. Since the formation of the Company, management depth has been improved, particularly in those areas where the operations of subsidiary companies have been considerably expanded. In addition, the Company has tried to ensure that the entrepreneurs in the management group exercise their talents to the best advantage by developing and promoting new products and exploiting new markets.

Directors and Officers

The names and home addresses in full of the directors and officers of the Company, the positions and offices held by each and the principal occupation of each during the past five years are as follows:

<u>Name and address</u>	<u>Office</u>	<u>Principal occupation</u>
DENNIS FREDJOHN..... "Bardowie", Sandy Lane Road, Charlton Kings, Cheltenham, England	Chairman of the Board, ... Director	Managing Director, Pillar Holdings Limited
ROBERT HOWELL JONES..... 419 Kelvin Boulevard, Winnipeg, Manitoba	Director.....	Vice-President, The Investors Group, an investment, management and holding company
ROBERT BLIGH LEESON..... 1230 Renton Place, West Vancouver, British Columbia	Director.....	President, Westland Metals Limited
JAMES ROSS LEMESURIER..... 9 Dinnick Crescent, Toronto, Ontario	Director.....	Vice-President and Director, Wood Gundy Securities Limited
DONALD JOHN McDONALD..... 2 Hunthill Court, Islington, Ontario	Director.....	Executive Vice-President, UNAS Investments Limited, a closed-end investment fund
AUBREY WILSON MINSHALL..... 1939 Pagehurst Court, Mississauga, Ontario	Director, Vice-President	President, Indal Products Limited
JAMES ALEXANDER PATERSON..... 24 Thurloe Square, London, England	Director.....	Executive Chairman, Pillar Holdings Limited
HARRY MORRIS RICH..... 594 St. Clements Avenue, Toronto, Ontario	Director.....	President, Fashion Grilles Limited
THOMAS IAIN RONALD..... 46 Waterford Drive, Weston, Ontario	Director, Secretary-Treasurer	Secretary-Treasurer, Indal Canada Limited
WALTER EDWIN STRACEY..... 6 Edenvale Crescent, Islington, Ontario	President, Director	President, Indal Canada Limited
WILLIAM RALPH TUEB, Q.C. 170 Sheldrake Boulevard, Toronto, Ontario	Director.....	Partner, Borden, Elliot, Kelley & Palmer, Barristers & Solicitors

During the last five years all of the directors and officers of the Company have been associated in various capacities with the companies or firms indicated opposite their names except Mr. LeMesurier, who prior to May 1964 was a director of Dominion Securities Corporation Limited; Mr. McDonald, who prior to May 1964 was Vice-President of Osler, Hammond & Nanton Limited; Mr. Minshall, who prior to April 1968 was President of Rebmecc Industries Limited; Mr. Ronald, who prior to July 1965 was a manager in the Paris office of Peat, Marwick, Mitchell & Co., and Mr. Stracey, who prior to November 1964 was President of Westland Metals Limited.

At November 30, 1968 the directors and senior officers of the Company, as a group beneficially owned, directly or indirectly, 7,000 common shares of the Company, being .84% of the outstanding common shares.

Under agreements dated June 2, 1965 Pillar has agreed with each of UNAS Investments Limited and Investors Growth Fund of Canada Limited to vote all of the common shares held or controlled by Pillar at each election of directors in favour of the election of one nominee of each of these companies so long as, in each case, such company continues to own at least 15,000 common shares of the Company.

Remuneration of Directors and Senior Officers

The aggregate direct remuneration paid by the Company and its subsidiaries to its directors and senior officers during the last financial year of the Company ended October 31, 1968 was \$140,279 and from November 1, 1968 to November 30, 1968 was \$10,209.

The aggregate cost to the Company in the year ended October 31, 1968 of all pension benefits proposed to be paid to the directors and senior officers of the Company in the event of retirement at normal retirement age was \$1,837 and from November 1, 1968 to November 30, 1968 was \$176.

Description of Shares

The authorized capital stock of the Company consists of 233,334 cumulative redeemable preferred shares ("preferred shares") of the par value of \$10 each, issuable in series, and 1,500,000 common shares without nominal or par value. 110,000 preferred shares are outstanding as 6% preferred shares Series A ("Series A preferred shares") and 73,334 preferred shares are outstanding as 6% preferred shares Series B ("Series B preferred shares"). After giving effect to the issue by the Company of the 100,000 common shares in conjunction with this financing, there will be 933,000 common shares outstanding as fully paid and non-assessable.

Common Shares

The rights of the holders of the common shares are subject to the prior rights and preferences attaching to the preferred shares. The holders of common shares are entitled to one vote in respect of each common share held.

Preferred Shares

A brief summary of the principal attributes attached to the preferred shares is set out below.

The preferred shares may be issued from time to time in one or more series, each series to consist of such number of shares as may be determined by the directors of the Company, and, subject to certain restrictions and limitations, the directors may issue and fix the provisions attaching to the preferred shares of any series to be issued in addition to the Series A and Series B preferred shares. Preferred shares having an aggregate par value of \$500,000 remain unissued.

The preferred shares are entitled to preference over the common shares with respect to priority in payment of dividends and in the distribution of assets on the liquidation, dissolution or winding up of the Company. The preferred shares do not have any voting rights nor are the holders entitled to receive notice of or to attend meetings of shareholders unless dividends on the preferred shares of any series become in arrears to the extent of six quarterly dividends, whereupon, until all arrears of dividends have been paid, such holders will be entitled to receive notice of and attend all meetings of shareholders, to one vote in respect of each preferred share held and, voting separately and as a class, to elect two directors of the Company.

The Series A and Series B preferred shares have, among others, provisions to the following effect attached thereto:

1. They are entitled to receive and are limited to fixed cumulative preferential cash dividends at the rate of 6% per annum.
2. The Company is required, subject to certain tests being met, to purchase for cancellation 5,000 Series A and 3,333 Series B preferred shares in each calendar year.

3. Unless authorized by the holders of the Series A and Series B preferred shares, the Company may not declare or pay dividends on the common shares (i) unless there are no arrears of dividends on the preferred shares, or (ii) if the payment of such dividends would reduce the consolidated earned surplus of the Company and its subsidiaries below an amount equal to two and one-half times the maximum annual dividend requirements on the preferred shares then outstanding. "Consolidated earned surplus" is defined in the respective supplementary letters patent to mean, in effect, the consolidated net earnings after taxes of the Company and its subsidiaries accumulated, in the case of the Series A preferred shares, from December 31, 1964 and, in the case of the Series B preferred shares, from July 31, 1965 less dividends paid subsequent to the respective date and items properly chargeable to earned surplus.
4. They are redeemable at and may be purchased by the Company for cancellation for prices not exceeding 103% of the amount paid up thereon, together with all accrued and unpaid dividends.

Plan of Distribution

Under an agreement dated January 21, 1969 between the Company and Wood Gundy Securities Limited (the "Underwriter") the Company has agreed to sell and the Underwriter has agreed to purchase 100,000 common shares of the Company at a price of \$14.10 per share and under a further agreement dated January 21, 1969 between the Underwriter and UNAS Investments Limited, Investors Growth Fund of Canada Limited, UNAC Limited, Sun Life Assurance Company of Canada and The Charterhouse Group Canada Limited (the "Selling Shareholders") the Underwriter has agreed to purchase and the Selling Shareholders have agreed to sell 50,000 common shares of the Company at a price of \$14.10 per share, in each case payable in cash against delivery of certificates representing the common shares, on or about February 6, 1969 and otherwise upon the terms and conditions set forth in the respective agreements.

Principal and Selling Shareholders

The following are the names of the principal and selling shareholders and the number of common shares of the Company owned and to be sold by them respectively:

<u>Name and address</u>	<u>Type of ownership</u>	<u>Number of shares owned</u>	<u>Percentage of class outstanding</u>	<u>Number of shares to be sold by shareholder</u>	<u>Number of shares to be owned after this financing</u>	<u>Percentage of class to be owned after this financing</u>
Pillar Aluminium Limited, Lee House, London Wall, London, England	Beneficial	616,000	73.95%	Nil	616,000	66.02%
UNAS Investments Limited, Toronto-Dominion Centre, Toronto, Ontario	Beneficial and of record	112,000	13.45	26,700	85,300	9.14
Investors Growth Fund of Canada Limited, 280 Broadway, Winnipeg, Manitoba	Beneficial and of record	52,500	6.30	12,500	40,000	4.29
UNAC Limited, Toronto-Dominion Centre, Toronto, Ontario	Beneficial	7,050	0.85	7,050	Nil	Nil
Sun Life Assurance Company of Canada, Sun Life Building, Dominion Square, Montreal, Quebec	Beneficial and of record	10,500	1.26	2,500	8,000	0.86
The Charterhouse Group Canada Limited, 60 Yonge Street, Toronto, Ontario	Beneficial and of record	5,250	0.63	1,250	4,000	0.43

Options to Purchase Shares

Under a stock option plan adopted by the Company on October 18, 1965 the Company reserved 25,000 common shares for issue upon the exercise of stock options granted to officers and full time employees of the Company and its subsidiaries. At the date hereof, options are outstanding to senior officers of the Company covering 10,500 common shares. These options are all exercisable prior to January 11, 1972 at the price of \$4 per share on the basis of one-third of the shares covered by each option available for purchase after January 11 in each of the years 1969 to 1971 inclusive.

Each of the options provides for its earlier termination in the event that the employment by the Company of any person to whom an option is granted ceases prior to the expiry date of his option.

Since October 18, 1965 W. E. Stracey and T. I. Ronald exercised options in respect of 5,000 common shares and 2,000 common shares respectively, which options had been granted to them under the above mentioned stock option plan. The prices paid by them on the exercise of said options were \$20,000 and \$8,000 respectively.

The Company issued, to purchasers of preferred shares, share purchase warrants ("warrants") under a Share Purchase Warrant Indenture dated June 1, 1965, and a Supplemental Share Purchase Warrant Indenture dated April 7, 1966, entitling the holders thereof to purchase in the aggregate 80,000 common shares of the Company, as presently constituted, at any time up to the close of business on December 31, 1975 at an original purchase price of \$5 per share. These indentures contain provisions for the adjustment of the purchase price from time to time to protect the holders of the warrants against dilution.

1967 Rights Offering

On September 7, 1967 the Company issued 236,000 common shares to its existing common shareholders at a price of \$4 per share. These shares were issued pursuant to a rights offering which was fully subscribed.

Corporate History of Subsidiaries

Indalex was founded in 1957. The Company purchased 80% of the outstanding common shares from the founder in October 1964 and purchased the 20% minority interest in February 1968. In addition, the Company has purchased common shares from the treasury. Mr. W. E. Stracey has been the president and chief executive officer of Indalex from the time of its acquisition by the Company.

Westland Metals was founded by Messrs. W. E. Stracey and R. B. Leeson in 1962. The Company purchased 61% of the outstanding common shares from Messrs. Stracey and Leeson and others in November 1964. The Company acquired an additional 14% of these common shares from minority shareholders in March and September 1965 and the remaining 25% of these common shares from Messrs. Stracey and Leeson in November 1967. Messrs. Stracey and Leeson have received an aggregate of \$282,705 and \$247,705 respectively for their shares of Westland Metals. Mr. Leeson has been the chief executive officer of Westland Metals since its acquisition by the Company and is now its president. The Company purchased all of the outstanding shares of Metalcraft (1963) Limited in June 1965. This company was incorporated in 1963. Westland Metals purchased all of the shares of Alberta Metalcraft Limited in December 1966. Alberta Metalcraft Limited was incorporated in 1963. The businesses of these companies have been merged with that of Westland Metals.

Indal Products was founded in December 1964 by Mr. S. Hershoff under the name of Alumaticolor Limited and, because of a conflict of names, the name was subsequently changed to Aluminum Colored Products Manufacturing Limited ("Colored"). The Company acquired a 50% interest in Colored in June 1965 through the purchase of treasury shares. The Company acquired an additional 25% of Colored in October 1967 and purchased the remaining 25% in March 1968. Mr. Hershoff received \$25,000 for his shares of Colored and has also received \$15,000 for common shares of Indalprime which were purchased from him by the Company and for which he had paid an aggregate of \$1,250. In April 1968, the businesses of Rebmec Industries Limited ("Rebmec") and Trailwind Products Limited ("Trailwind") were merged with the business of Colored under a transaction whereby Colored purchased these businesses and changed its corporate name to Indal Products Limited.

Rebmec was founded by Mr. A. W. Minshall in 1961. The Company purchased 70% of the common

shares from Mr. Minshall in February 1965 and in March 1968 the Company purchased the remaining 30% of the common shares from the minority shareholder.

Trailwind was founded by the Company in March 1966 and has always been a wholly-owned subsidiary of the Company.

Mr. Minshall was president and chief executive officer of Rebmec and of Trailwind from the time that those companies were founded until their businesses were purchased by Indal Products and has been president and chief executive officer of Indal Products since that date.

Four different companies which have now been amalgamated into Fashion Grilles were founded by Messrs. H. M. Rich and I. Ingber in 1957. The Company purchased 75% of the common shares of each of the amalgamating companies in March 1965 from Messrs. Rich and Ingber and their wives. The Company purchased the remaining 25% in the amalgamated company in October 1966. Messrs. Rich and Ingber and their wives have received an aggregate of \$429,031 and \$333,563 respectively for their shares of Fashion Grilles and the amalgamating companies. Mr. Rich was the president and chief executive officer of each of the amalgamating companies from the time of their inception until the amalgamation and has been the president and chief executive officer of Fashion Grilles since the amalgamation.

Custom Rollforming was founded by Fashion Grilles and Messrs. G. Becher and A. Both in October 1965. The Company acquired its present interest in Custom Rollforming at that time through the purchase of treasury shares. Mr. H. Rich has been the president and chief executive officer of Custom Rollforming since the time it was founded.

Eastland Metals was founded by the Company in conjunction with Mr. C. H. Wilson in February 1965. At that time the Company subscribed for 48% of the common shares. The Company purchased an additional 2½% of the common shares from minority shareholders in January 1966 and a further 27½% of the common shares in January 1968. The existing minority interest is owned by Mr. Wilson and Mr. D. Bethune, another employee of Eastland Metals who has been with that company since the time of its inception. Mr. Wilson has been the president and chief executive officer of Eastland Metals since its inception.

Commercial Aluminum was founded by Mr. G. B. Reading in February of 1964. In June 1965 the Company acquired a 55% interest in Commercial Aluminum from Mr. and Mrs. Reading, part of the purchase price of which was reinvested by Mr. Reading in Commercial Aluminum. Pursuant to an agreement between the Company and Mr. and Mrs. Reading referred to under "Minority Interests" on page 5 the Company is obligated to purchase on January 21, 1969 a further 25% of the common shares of Commercial Aluminum. Mr. and Mrs. Reading received a net amount of \$45,000 for the 55% interest acquired by the Company and will receive a further \$99,000 in respect of the 25% interest mentioned above. Mr. Reading has retained the minority interest. Mr. Reading's aggregate investment in Commercial Aluminum at the time the Company acquired the 55% interest amounted to \$37,019. Mr. Reading has been the president and chief executive officer of Commercial Aluminum since its inception.

Lite Metal was founded by Mr. Minshall in November 1964. The Company purchased 20% of the common shares at the time that it purchased its initial interest in Rebmec. The Company purchased an additional 31% of the common shares of Lite Metal in January 1966 and the remaining 49% of the common shares in January 1967.

Mr. Minshall has received \$761,251 for his shares of Rebmec and an aggregate of \$835,153 for his shares of Lite Metal. Mr. Minshall's shares of Lite Metal were issued to him by that company in consideration of \$13.

Indalprime was founded by the Company in conjunction with Mr. H. Lazar in March 1966. At that time the Company owned 48% of the common shares. The Company purchased additional common shares from minority shareholders during 1966 and January 1968 and pursuant to an agreement dated August 15, 1968 purchased Mr. Lazar's holdings for an estimated \$275,000, the exact amount being determined by future earnings. Mr. Lazar has been president and chief executive officer of Indalprime from the time of its inception. Mr. Lazar's aggregate investment in Indalprime at the time the Company purchased his 20% minority interest amounted to \$21,500.

Dominion Aluminum was founded in 1951. Pursuant to an agreement dated August 9, 1968 the Company purchased 80% of the outstanding common shares of Dominion Aluminum from various shareholders including Mr. M. R. Maynard. Mr. Maynard, who holds the minority interest in Dominion Aluminum, received a total of \$640,000 for the shares of Dominion Aluminum purchased by the Company. He has been its president and chief executive officer since its inception.

Promoters

Pillar, being the founder of the Company, is deemed, under the definition of "promoter" contained in applicable legislation, to be the promoter of the Company. Pillar, through its wholly-owned subsidiary Pillar Aluminium Limited, has paid an aggregate of \$1,804,000 for the 616,000 common shares of the Company held by it.

The individuals and companies who under applicable legislation are deemed to have been, within the last five years, promoters of subsidiaries of the Company are referred to under "Corporate History of Subsidiaries" on pages 13 to 15.

Interest of Management and Others in Material Transactions

A. W. Minshall is the owner of two plants which are occupied by Indal Group companies under leases expiring March 31, 1977 and April 15, 1978 respectively. Aggregate annual rentals under these leases amount to \$39,360.

Westglen Holdings Limited, of which W. E. Stracey and R. B. Leeson are material shareholders, is the owner of two plants which are occupied by Indal Group companies under leases expiring May 31, 1978 and June 30, 1978 respectively. Aggregate annual rentals under these leases amount to \$39,845.

H. M. Rich is a part owner of a plant occupied by Custom Rollforming under a lease expiring December 14, 1970. Annual rental under this lease amounts to \$10,200. This lease will be surrendered on or about April 1, 1969 without cost to the Company. Fashion Grilles and Custom Rollforming have entered into lease agreements dated December 17, 1968 with Mr. Rich under which they will occupy a plant at aggregate annual rentals of \$35,200 and \$11,000 respectively. These lease agreements commence April 1, 1969 and will expire March 31, 1979.

All of the foregoing rentals are at fair market value.

In January 1968 the Company acquired 17,500 common shares and \$19,000 principal amount of 6% subordinated notes of Eastland Metals from Messrs. A. W. Minshall and W. E. Stracey. Messrs. Minshall and Stracey have received an aggregate of \$21,000 and \$42,000 respectively for these shares and notes.

Reference is also made to the transactions set forth on pages 13 to 15 under "Corporate History of Subsidiaries".

Material Contracts

Except for contracts entered into in the ordinary course of business, and the contracts previously referred to on this page and pages 5, 6, 13 and 14, the only contracts entered into by the Company and its subsidiaries within two years prior to the date of this prospectus are the following:

1. An agreement dated October 1, 1967 between Birch Realities Inc. and Indalex whereby Indalex leased a plant of some 34,000 square feet at Pointe-Claire, Quebec for a period of ten years from October 1, 1967.
2. A floating charge debenture dated June 13, 1968 issued by Indalex to a Canadian chartered bank to secure a loan.
3. An agreement dated August 9, 1968 with Messrs. W. F. Benson, J. B. Gordon, J. Matejovic and Mrs. J. A. Benson pursuant to which the Company acquired 50% of the outstanding common shares of Mississauga.
4. An agreement dated August 9, 1968 between Dominion Aluminum and M. R. Maynard pursuant to which that company agreed to employ Mr. Maynard as president and general manager for a period of five years ending July 31, 1973.

5. An agreement dated August 15, 1968 between Indalprime and H. Lazar pursuant to which that company agreed to employ Mr. Lazar as president for a period ending February 28, 1974.
6. An agreement with Roxson Contractors Limited dated October 16, 1968 whereby the Company contracted for the erection of a building in the Weston area of Metropolitan Toronto.
7. An agreement with Lorlea Enterprises Limited dated November 22, 1968 pursuant to which Westland Metals agreed to purchase a rollforming mill and associated tooling.
8. An agreement with Taranto Rentals dated November 22, 1968 whereby the Company agreed to purchase a building in the Downsview area of Metropolitan Toronto.
9. A first mortgage dated October 15, 1968 granted by the Company to Sun Life Assurance Company of Canada on the lands and buildings owned by the Company in the Weston area of Metropolitan Toronto, securing a mortgage loan which will, when fully advanced, amount to a total of \$550,000.
10. The underwriting agreement referred to under "Plan of Distribution" on page 12.

Copies of the foregoing contracts may be examined during business hours at the head office of the Company during the period of primary distribution of the common shares offered hereby and for a period of 30 days thereafter.

Litigation

In a cross claim in an action brought by a subsidiary to recover a deposit from a supplier, the subsidiary has been sued for damages and loss of profits and reputation in an aggregate amount of approximately \$350,000 (U.S.). In the opinion of counsel there is no merit in any part of this cross claim. The Company and its subsidiaries are not engaged in or threatened with any other litigation involving more than an aggregate amount of \$10,000.

Auditors, Transfer Agents and Registrars

The auditors of the Company are Messrs. Coopers & Lybrand, 120 Adelaide Street West, Toronto, Ontario.

The transfer agent and registrar in respect of the Company's Series A and Series B preferred shares is Canada Permanent Trust Company at its office at 1901 Yonge Street, Toronto, Ontario. The transfer agent and registrar in respect of the Company's common shares is The Royal Trust Company at its principal offices in Toronto, Montreal, Winnipeg and Vancouver.

Dividends

The Company has paid the following dividends since its incorporation:

<u>Fiscal year</u>	<u>Per Series A and Series B preferred share</u>	<u>Per common share</u>
1968.....	\$0.60	\$0.20
1967(15 months)	0.75	—
1966.....	0.60	—

**Indal Canada Limited
and Subsidiary Companies**

**Consolidated Balance Sheet and Pro-Forma Consolidated Balance Sheet
as at October 31, 1968**

	Assets	Consolidated Balance Sheet	Pro-Forma Consolidated Balance Sheet
CURRENT ASSETS			
Cash.....		\$ 569,604	\$ 569,604
Accounts receivable—trade.....		4,701,278	4,701,278
Accounts receivable—affiliate.....		49,152	49,152
Inventories (Note 4).....		2,864,577	2,864,577
Other accounts receivable and prepaid expenses.....		291,810	291,810
Refundable taxes.....		32,104	32,104
		<u>8,508,525</u>	<u>8,508,525</u>
INVESTMENT IN OTHER COMPANY—at cost.....		50,830	50,830
FIXED ASSETS (Note 5).....		3,836,357	3,836,357
INTANGIBLE ASSETS			
Excess of cost of investment in shares of subsidiaries over book value of net assets.....		4,464,234	4,464,234
Deferred charges less amortization (Note 6).....		42,495	77,495
		<u>\$16,902,441</u>	<u>\$16,937,441</u>
Liabilities			
CURRENT LIABILITIES			
Bank advances (Note 7).....		\$ 1,112,372	\$ 545,856
Accounts payable—trade.....		3,590,688	3,590,688
Accounts payable—affiliate.....		75,469	75,469
Other accounts payable and accrued charges.....		244,712	244,712
Income and other taxes payable.....		743,260	743,260
Current portion of deferred liabilities (Note 8).....		361,697	173,200
		<u>6,128,198</u>	<u>5,373,185</u>
DEFERRED LIABILITIES, less current portion (Note 8).....		3,678,994	3,059,007
DEFERRED INCOME TAXES (Note 9).....		672,092	672,092
MINORITY SHAREHOLDERS' INTEREST IN SUBSIDIARY COMPANIES.....		245,389	245,389
Shareholders' Equity			
CAPITAL STOCK (Notes 10, 11, 12 and 13)			
Authorized—			
233,334 6% cumulative preferred shares of the par value of \$10 each, redeemable at 103%			
1,000,000 common shares without nominal or par value (pro- forma 1,500,000 common shares)			
Issued and fully paid—			
183,334 preferred shares.....		1,833,340	1,833,340
833,000 common shares (pro-forma 933,000 common shares)...		2,798,000	4,208,000
RETAINED EARNINGS (Note 10).....		1,546,428	1,546,428
		<u>\$16,902,441</u>	<u>\$16,937,441</u>

Approved on behalf of the Board:

(Signed) W. E. TRACEY, Director

(Signed) T. I. RONALD, Director

The Notes to Financial Statements on pages 19 to 21 form an integral part of this statement.

**Indal Canada Limited
and Subsidiary Companies**

Consolidated Statement of Earnings and Retained Earnings (Note 2)

	Year ended October 31, 1968	Fifteen months ended October 31, 1967	Year ended July 31, 1966	Year ended July 31, 1965
SALES.....	\$20,760,341	\$19,811,675	\$11,433,622	\$7,314,944
Cost of goods sold and operating expenses exclusive of items shown below.....	17,921,514	17,607,227	9,932,367	6,349,492
	<u>2,838,827</u>	<u>2,204,448</u>	<u>1,501,255</u>	<u>965,452</u>
Depreciation and amortization.....	714,024	686,477	388,093	289,200
Amortization—other.....	37,474	48,813	10,994	—
Interest on long-term debt.....	254,504	56,129	27,328	11,420
	<u>1,006,002</u>	<u>791,419</u>	<u>426,415</u>	<u>300,620</u>
CONSOLIDATED EARNINGS BEFORE INCOME TAXES	1,832,825	1,413,029	1,074,840	664,832
Provision for income taxes.....	<u>969,029</u>	<u>702,481</u>	<u>535,727</u>	<u>328,549</u>
CONSOLIDATED EARNINGS AFTER INCOME TAXES AND BEFORE MINORITY SHAREHOLDERS'				
INTEREST.....	863,796	710,548	539,113	336,283
Minority shareholders' interest.....	<u>68,470</u>	<u>193,580</u>	<u>175,237</u>	<u>102,154</u>
CONSOLIDATED NET EARNINGS BEFORE EXTRA- ORDINARY ITEM.....	795,326	516,968	363,876	234,129
Extraordinary item (Note 16).....	<u>143,029</u>	<u>—</u>	<u>—</u>	<u>—</u>
CONSOLIDATED NET EARNINGS.....	<u>\$ 938,355</u>	<u>\$ 516,968</u>	<u>\$ 363,876</u>	<u>\$ 234,129</u>
RETAINED EARNINGS—BEGINNING OF PERIOD....	\$ 887,023	\$ 518,805	\$ 234,129	\$ —
Consolidated net earnings for the period....	<u>938,355</u>	<u>516,968</u>	<u>363,876</u>	<u>234,129</u>
	1,825,378	1,035,773	598,005	234,129
Dividends paid				
Preferred shares.....	113,750	148,750	79,200	—
Common shares.....	<u>165,200</u>	<u>—</u>	<u>—</u>	<u>—</u>
	278,950	148,750	79,200	—
RETAINED EARNINGS—END OF PERIOD.....	<u>\$ 1,546,428</u>	<u>\$ 887,023</u>	<u>\$ 518,805</u>	<u>\$ 234,129</u>

The Notes to Financial Statements on pages 19 to 21 form an integral part of this statement.

Notes to Financial Statements

1. PRO-FORMA CONSOLIDATED BALANCE SHEET

The pro-forma consolidated balance sheet gives effect to the following:

- (a) The issue of supplementary letters patent dated December 5, 1968 increasing the authorized common share capital of the Company to 1,500,000 shares.
- (b) The issue and sale pursuant to an underwriting agreement dated January 21, 1969 of 100,000 common shares without nominal or par value for a cash consideration of \$1,410,000.
- (c) The payment of expenses of issue, estimated at \$35,000.
- (d) The retirement of the following long-term debt:

	Deferred portion	Current portion	Total
7% Notes.....	\$234,000	\$ 92,000	\$326,000
Term loan from a Canadian chartered bank (\$450,000 U.S.).....	385,987	96,497	482,484
	<u>\$619,987</u>	<u>\$188,497</u>	<u>\$808,484</u>

- (e) A reduction of \$566,516 in bank advances.

2. BASIS OF CONSOLIDATION

The consolidated financial statements include the results of all subsidiaries (companies more than 50% owned). All inter-company items and transactions between subsidiaries, including profits in inventories, have been eliminated.

Consolidated earnings include the results of the following companies from their effective dates of acquisition: August 1, 1964—Indalex Limited, Westland Metals Limited, Fashion Grilles Limited, Rebmec Industries Limited, Metalcraft (1963) Limited; March 1, 1965—Commercial Aluminum Products Limited; August 1, 1965—Lite Metal (Products) Limited; January 1, 1966—Alberta Metalcraft Limited; February 1, 1966—Eastland Metals Limited; March 8, 1966—Trailwind Products Limited; August 1, 1966—Indalprime Limited, Custom Rollforming Company Limited; October 31, 1967—Indal Products Limited; August 1, 1968—Dominion Aluminum Fabricating Limited.

The results of certain subsidiaries, for which purchase contracts were executed after the close of their accounting years ended December 31, 1964 were included in the consolidated statement of earnings from August 1, 1964, the effective date of acquisition specified in the purchase agreements. The consolidated statement of earnings includes profits of \$94,679, after minority interest, arising from the operations of these subsidiaries for the five months ended December 31, 1964.

3. NON-CONSOLIDATED COMPANIES

The group's proportion of results of operations of associated companies in which 50% of the equity shares were held in the fiscal years affected amounted to the following losses: 1965—\$24,000; 1966—\$40,000; 1967—\$60,000; 1968—\$6,000.

4. INVENTORIES—valued at the lower of cost or net realizable value:

Raw materials.....	\$2,138,697
Work in progress.....	117,495
Finished goods.....	608,385
	<u>\$2,864,577</u>

5. FIXED ASSETS

	Cost or valuation	Accumulated depreciation	Net
Land.....	\$ 271,407	\$ —	\$ 271,407
Buildings.....	1,113,614	113,305	1,000,309
Equipment.....	2,931,019	1,099,451	1,831,568
Leasehold improvements.....	194,387	39,713	154,674
Office furniture and equipment.....	144,066	62,717	81,349
Motor vehicles.....	118,605	63,857	54,748
Construction in progress.....	60,442	—	60,442
	<u>\$4,833,540</u>	<u>\$1,379,043</u>	<u>\$3,454,497</u>
Tools and dies at cost less amounts written off.....			381,860
			<u>\$3,836,357</u>

On July 29, 1966, a subsidiary purchased property at a total cost of \$268,710 and at the same date Cooper Appraisals Limited appraised the replacement value at \$383,806. Accordingly, the subsidiary increased the value of the property in its books by \$115,096 and created an appraisal surplus of like amount. Since the appraisal surplus arose prior to the date of acquisition of a controlling interest in the subsidiary by Indal Canada Limited, in these financial statements the surplus has served to increase minority shareholders' interest in subsidiary companies and reduce excess of cost of investment in shares of subsidiaries over book value of the net assets. All other fixed assets are carried at cost.

6. DEFERRED CHARGES LESS AMORTIZATION		Pro-Forma
Preproduction expenses.....	\$25,996	\$25,996
Financing expenses.....	16,499	16,499
Share issue expenses.....		35,000
	<u>\$42,495</u>	<u>\$77,495</u>

With the exception of financing expenses, which will be amortized as to \$9,869 over the two years ending October 31, 1970 and as to \$6,630 over the nine years ending October 31, 1977, deferred charges will be written off in the year ending October 31, 1969. It is the Company's intention to amortize share issue expenses over the five years ending October 31, 1973.

7. BANK ADVANCES		Pro-Forma
Secured by the pledge of inventories and book debts.....	<u>\$1,112,372</u>	<u>\$545,856</u>

8. DEFERRED LIABILITIES	Deferred portion	Current portion	Pro-Forma Deferred portion	Pro-Forma Current portion
Euro-dollar loan—\$1,875,000 (U.S.) repayable November 13, 1970.....	\$2,012,109	\$ —	\$2,012,109	\$ —
Term loan — \$450,000 (U.S.) repayable in five annual instalments of \$90,000 (U.S.) to August 1, 1973.....	385,987	96,497	—	—
7¾% First mortgage repayable in monthly instalments to May 1, 1981.....	385,280	19,300	385,280	19,300
7% Note repayable in three annual instalments of \$52,000 commencing March 29, 1969.....	104,000	52,000	—	—
7% Note repayable in three annual instalments of \$40,000 and one instalment of \$50,000 commencing February 1, 1969....	130,000	40,000	—	—
8% Debenture—\$500,000 (U.S.) payable in ten semi-annual instalments of \$50,000 (U.S.) commencing December 1, 1968....	428,800	107,200	428,800	107,200
Equipment financing payable in varying amounts up to March 31, 1975.....	14,053	10,730	14,053	10,730
7½% First mortgage payable in monthly instalments to August 1, 1986.....	165,965	4,770	165,965	4,770
7½% Second mortgage payable in monthly instalments to September 23, 1971.....	48,300	25,200	48,300	25,200
7% Debenture payable in monthly instalments to July 23, 1970.....	4,500	6,000	4,500	6,000
	<u>\$3,678,994</u>	<u>\$361,697</u>	<u>\$3,059,007</u>	<u>\$ 173,200</u>

9. INCOME TAXES

Income tax returns of the Company and its subsidiaries have been accepted as filed up to and including 1967. All the years included in the consolidated statement of earnings are open to re-assessment. Amounts provided for income taxes payable are considered to be adequate. No items are under dispute.

Deferred income taxes mainly arise through claiming capital cost allowances in excess of the depreciation charges recorded in the accounts and are applicable to periods when depreciation recorded in the accounts exceeds the capital cost allowances claimed for income tax purposes. Taxes deferred in each of the periods were as follows: 1968 — \$185,382; 1967 — \$203,921; 1966 — \$70,044; 1965 — \$57,965.

10. CAPITAL STOCK

During the year 8,333 preferred shares were purchased for cancellation for a cash consideration of \$73,814. Also during the year supplementary letters patent were received authorizing the Company to transfer the capital surplus arising out of a previous purchase of preferred shares to retained earnings, reducing paid up capital by the same amount and also authorizing future purchases of preferred shares to be made directly out of capital.

11. RETAINED EARNINGS

The balance of retained earnings at October 31, 1967 contained an amount of \$83,330 set aside in the accounts as required by law equal to the par value of preferred shares purchased for cancellation. This amount became available for distribution subsequent to the receipt of the supplementary letters patent described in Note 10 above.

12. STOCK OPTIONS

At October 31, 1968 options were outstanding to officers of the Company on 10,500 common shares at \$4 per share expiring January 11, 1972. During the year options were exercised on 7,000 common shares at a price of \$4 per share.

13. SHARE PURCHASE WARRANTS

There are 80,000 common share purchase warrants outstanding at the balance sheet date. These warrants expire December 31, 1975 and may be exercised at a price of \$4.83 per share, which price is subject to adjustment and will be adjusted on issue of the 100,000 common shares referred to in Note 1(b) to \$5 per share.

14. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

- (a) Indal Canada Limited has agreed to acquire, on request, from the present minority shareholders of three subsidiaries, their shareholdings in those companies at prices based on the profits earned.

On December 5, 1968 the Company received a request from a minority shareholder in one of the above-mentioned subsidiaries to acquire part of his shareholding in that subsidiary. Under the terms of the Company's agreement with that shareholder the shares will be purchased within 30 business days of receipt of the request. The cost to the Company will be approximately \$99,000. In the case of the remaining shareholdings the cost to the Company, based on profits to October 31, 1968, would be approximately \$190,000.

- (b) During the year Indal Canada Limited acquired the minority shareholding in a subsidiary at a price based partially on the earnings of that subsidiary for the year ending October 31, 1969. The additional cost to the Company, based on profits to October 31, 1968 will be approximately \$125,000.
- (c) Unrecorded capital commitments in respect of the acquisition of additional fixed assets, including commitments made after the year-end, amount to approximately \$690,000. These commitments will be financed to the extent of approximately \$210,000 by additional mortgage financing.
- (d) In a cross claim in an action brought by a subsidiary to recover a deposit from a supplier, the subsidiary has been sued for damages and loss of profits and reputation in an aggregate amount of approximately \$350,000 (U.S.). In the opinion of counsel there is no merit in any part of this cross claim.

15. RENTS

Rents paid in respect of leased land and buildings and charged in arriving at the consolidated earnings of the year amounted to \$252,265. Minimum rentals payable during the five years following October 31, 1968 under long-term lease contracts, including lease contracts entered into subsequent to the year-end, total \$957,720 and are as follows for the years ending October 31:

Year ending October 31	
1969.....	\$179,544
1970.....	194,544
1971.....	194,544
1972.....	194,544
1973.....	194,544
	<u>\$957,720</u>

16. EXTRAORDINARY ITEM

The extraordinary item arises through the application in the year of tax losses of a wholly-owned subsidiary arising in periods prior to the acquisition of a controlling interest in that subsidiary. Income taxes payable for the year will accordingly be reduced by \$143,029.

17. DIVIDENDS DECLARED

On September 27, 1968 the Company declared dividends amounting to \$27,500 on the 183,334 preferred shares and \$41,650 on the 833,000 common shares. These dividends were paid subsequent to the year-end.

Auditors' Report

To the Directors,
INDAL CANADA LIMITED:

We have examined the consolidated balance sheet and pro-forma consolidated balance sheet of Indal Canada Limited and subsidiary companies as at October 31, 1968 and the consolidated statement of earnings and retained earnings for the years ended July 31, 1965 and 1966, the fifteen months ended October 31, 1967 and the year ended October 31, 1968. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion the consolidated balance sheet presents fairly the financial position of the companies as at October 31, 1968 and the consolidated statement of earnings and retained earnings presents fairly the results of their operations for the years and period indicated thereon, in accordance with generally accepted accounting principles applied on a consistent basis.

In our opinion the pro-forma consolidated balance sheet also presents fairly the financial position of the companies as at October 31, 1968, after giving effect to the changes set forth in Note 1 to the financial statements.

Toronto, Ontario,
December 11, 1968

(Signed) COOPERS & LYBRAND,
Chartered Accountants

Purchaser's Statutory Rights of Withdrawal and Rescission

Sections 63 and 64 of The Securities Act, 1967 (Alberta), sections 63 and 64 of The Securities Act, 1966 (Ontario) and sections 70 and 71 of The Securities Act, 1967 (Saskatchewan) provide in, effect, that where a security is offered to the public in the course of primary distribution:

- (a) a purchaser will not be bound by a contract for the purchase of such security if written or telegraphic notice of his intention not to be bound is received by the vendor or his agent not later than midnight on the second business day after the prospectus or amended prospectus offering such security is received or is deemed to be received by him or his agent, and
- (b) a purchaser has the right to rescind a contract for the purchase of such security, while still the owner thereof, if the prospectus or any amended prospectus offering such security contains an untrue statement of a material fact or omits to state a material fact necessary in order to make any statement therein not misleading in the light of the circumstances in which it was made, but no action to enforce this right can be commenced by a purchaser after the expiration of 90 days from the later of the date of such contract or the date on which such prospectus or amended prospectus is received or is deemed to be received by him or his agent.

Sections 61 and 62 of the Securities Act, 1967 (British Columbia) provide in effect that, where a security is offered to the public in the course of primary distribution, a purchaser has the same right of rescission described in (b) above and also that a purchaser has a right to rescind a contract for the purchase of a security, while still the owner thereof, if a copy of the last prospectus, together with financial statements and reports and summaries of reports relating to the securities as filed with the British Columbia Securities Commission, was not delivered to him or his agent prior to delivery to either of them of the written confirmation of the sale of the securities. Written notice of intention to commence an action for rescission must be served on the person who contracted to sell within 60 days of the date of delivery of the written confirmation, but no action shall be commenced after the expiration of three months from the date of service of such notice.

Reference is made to the aforesaid Acts for the complete texts of the provisions under which the foregoing rights are conferred and the foregoing summary is subject to the express provisions thereof.

Certificates

Dated: January 21, 1969.

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by Part VII of the Securities Act, 1967 (British Columbia) and the regulations thereunder, by Part 7 of The Securities Act, 1967 (Alberta) and the regulations thereunder, by Part VIII of The Securities Act, 1967 (Saskatchewan) and the regulations thereunder, by Part VII of The Securities Act, 1966 (Ontario) and the regulations thereunder, under the Securities Act (Quebec) and by Section 13 of the Securities Act (New Brunswick).

(Signed) W. E. STRACEY
President

(Signed) T. I. RONALD
Secretary-Treasurer

On behalf of the Board of Directors

(Signed) D. J. McDONALD
Director

(Signed) HARRY M. RICH
Director

Directors

(Signed) W. E. STRACEY

D. FREDJOHN

(Signed) J. ROSS LEMESURIER

R. H. JONES

(Signed) D. J. McDONALD

R. B. LEESON

(Signed) HARRY M. RICH

A. W. MINSHALL

(Signed) T. I. RONALD

(Signed) W. R. TUER

J. A. PATERSON

By their agent

(Signed) T. I. RONALD

Promoter

PILLAR HOLDINGS LIMITED

By: (Signed) W. E. STRACEY

Underwriter

To the best of our knowledge, information and belief, the foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by Part VII of the Securities Act, 1967 (British Columbia) and the regulations thereunder, by Part 7 of The Securities Act, 1967 (Alberta) and the regulations thereunder, by Part VIII of The Securities Act, 1967 (Saskatchewan) and the regulations thereunder, by Part VII of The Securities Act, 1966 (Ontario), and the regulations thereunder, under the Securities Act (Quebec) and by Section 13 of the Securities Act (New Brunswick).

WOOD GUNDY SECURITIES LIMITED

By: (Signed) DAVID STANLEY

The following includes the name of every person having an interest either directly or indirectly to the extent of not less than 5% in the capital of Wood Gundy Securities Limited: C. L. Gundy, W. P. Wilder, J. N. Cole, E. S. Johnston, J. K. McCausland, P. J. Chadsey and J. R. LeMesurier.

LIST OF SUBSIDIARY OR CONTROLLED COMPANIES

<u>Authorized capital</u>	<u>Issued Capital</u>	<u>Amount of Capital Owned directly or indirectly by the Company</u>	<u>Date of Acquisition</u>
26,010 preference shares of the par value \$1 and 750,000 common shares of the par value of \$1	450,010 common shares	450,010 common shares (100%)	October 1964
100 shares without par value	80 shares	80 shares (100%)	November 1964
50,000 preference shares of the par value of \$1 each and 100,000 common shares without par value	66,000 common shares	66,000 common shares (100%)	June 1965
40,000 shares without par value	48 shares	48 shares (100%)	March 1965
40,000 1st preference shares of the par value of \$1, 100 2nd preference shares of the par value of \$1 and 60,000 common shares without par value	40,000 1st preference shares, one 2nd preference share and 2,000 common shares	20,000 1st preference shares, one 2nd preference share and 1,000 common shares (50.01%)	October 1965
100,000 shares of the par value of \$1	66,000 shares	51,500 shares (78%)	February 1965
3,600 preference shares of the par value of \$10 and 4,000 common shares without par value	100 common shares	100 common shares (100%)	February 1965
100,000 shares of the par value of \$1	100,000 shares	100,000 shares (100%)	March 1966
43,328 7% preferred shares of the par value of \$1 and 650,000 common shares without par value	150,000 common shares	120,000 common shares (80%)	August 1968

LIST OF SUBSIDIARY OR CONTROLLED COMPANIES (Continued)

Name and Particulars of Incorporation	Authorized capital	Issued Capital	Amount of Capital Owned directly or indirectly by the Company	Date of Acquisition
MISSISSAUGA ALUMINUM INDUSTRIES LIMITED—Incorporated under the laws of Ontario by letters patent dated January 5, 1968	36,000 preference shares of the par value of \$1 each and 4,000 common shares without par value	22,200 preference shares and 800 common shares	400 common shares (50%)	August 1968
METALCRAFT (1963) LTD. — Incorporated under the laws of British Columbia by Certificate of Incorporation dated January 31, 1963	4,000 preferred shares of the par value of \$10 and 10,000 common shares of the par value of \$1	6 common shares	6 common shares (100%)	June 1965
REBMEC INDUSTRIES LIMITED—Incorporated under the laws of Ontario by letters patent dated October 26, 1961	3,000 preference shares of the par value of \$10 and 10,000 common shares without par value	1,003 common shares	1,003 common shares (100%)	February 1965
TRAILWIND PRODUCTS LIMITED — Incorporated under the laws of Ontario by letters patent dated March 8, 1966	40,000 shares of the par value of \$1	30,000 shares	30,000 shares (100%)	March 1966
ALBERTA METALCRAFT LIMITED—Incorporated under the laws of Alberta by Memorandum of Association on April 22, 1963	3,000 preference shares of the par value of \$5, 2,500 Class A shares of the par value of \$1 and 2,500 ordinary shares without par value	20 ordinary shares	20 ordinary shares (100%)	January 1966
COMMERCIAL ALUMINUM PRODUCTS LIMITED—Incorporated under the laws of Ontario by letters patent dated February 3, 1964	36,000 preference shares of the par value of \$1 and 4,000 common shares without par value	200 common shares	160 common shares (80%)	June 1965

